



County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

July 2, 2010

To: Supervisor Gloria Molina, Chair
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer 

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

QUARTERLY REPORT ON IN-HOME SUPPORTIVE SERVICES ANTI-FRAUD PLAN (ITEM NO. 22 OF NOVEMBER 24, 2009)

In response to your Board Motion of November 24, 2009, introduced by Supervisor Ridley-Thomas, this is the first quarterly report relative to In-Home Supportive Services (IHSS) anti-fraud strategies and related program integrity efforts. This report provides the highlights of the initiatives implemented to date as outlined in the Department of Public Social Services (DPSS) IHSS Anti-Fraud Plan (AFP), approved by your Board on November 24, 2009.

Public Assistance Crime Enforcement Unit

In January 2010, the District Attorney's (DA) Public Assistance Crime Enforcement Taskforce was expanded to include IHSS fraud investigations. The taskforce is comprised of 15 Investigators from DPSS, the DA, and the California Department of Health Care Services (CDHCS). The team has completed all necessary training on IHSS regulations and investigation strategies specific to IHSS fraud.

Between January and May 2010, the DA's office filed 38 felony cases against 41 defendants involving IHSS fraud, which equals the total number of felony filings spanning the previous three-year period. The amount of IHSS program losses charged in these cases is over \$453,000. Several of these cases also uncovered losses in other public assistance programs, aggregating the total loss to \$550,000.

"To Enrich Lives Through Effective And Caring Service"

**Please Conserve Paper – This Document and Copies are Two-Sided
Intra-County Correspondence Sent Electronically Only**

IHSS Quality Assurance Reviews

In April 2010, DPSS added an additional IHSS Quality Assurance (QA) Unit to perform expanded IHSS case reviews as outlined in the AFP. The additional staff is actively engaged in completing a State-mandated IHSS Hospital Stay Error Rate Study of over 5,000 IHSS cases.

These providers may have been overpaid by the State as a result of billing for services rendered while the IHSS consumer was hospitalized. The Unit has completed reviews on over 1,000 cases, with potential overpayments totaling over \$167,000.

The additional IHSS QA staff are also conducting desk reviews and making home visits on a random sample of IHSS DPSS employee-provider cases. This review will further ensure compliance with County policy relative to outside employment.

Front End Verification Review

DPSS has successfully implemented the Front End Verification Review (FEVR) Units in each IHSS regional office. The purpose of FEVR (modeled after our Early Fraud Detection Program in the California Work Opportunity and Responsibility to Kids Program and Food Stamp Program) is to provide a more focused scrutiny, early in the application process, of IHSS consumers and providers who exhibit characteristics of potential program violation/fraud.

In collaboration with the DA and CDHCS, an Error Prone Profile has been developed as a tool for Social Workers (SWs) to determine if a referral to the FEVR Unit is appropriate. IHSS policy instructions and protocols have been developed, as well as reporting requirements to capture measurable results. Experienced SWs with expertise in IHSS assessment protocols were selected and are now assigned to these units.

Automated System to Track All IHSS Investigations

DPSS is in the initial phase of developing an automated tracking system to capture outcomes of the IHSS QA reviews and fraud investigations as required by the State. A programmer has begun the process of conducting fact-finding interviews with staff involved in the various plan components.

Data Mining

DPSS has begun preliminary discussions with their data mining vendor, S.A.S. Corporation, to gather processes and workflow information from IHSS SWs and

Each Supervisor
July 1, 2010
Page 3

CDHCS investigative staff to determine if data mining would be an effective tool in predicting and preventing IHSS fraud. Should this technology prove adaptable to the unique characteristics of the IHSS program in targeting potentially fraudulent elements, tools will be designed to capture data and prototypes.

The California Department of Social Services has advised that there are no provisions in the current legislation for rolling over the IHSS Anti-Fraud Funds into Fiscal Year 2010-11. The fraud funding (\$10 million general fund) remains in the Governor's proposed budget, but both legislative budget committees have taken action to eliminate the funding. If future State funding is ultimately secured, counties will be required to submit ongoing plans.

The Los Angeles County IHSS AFP has been recognized by the State as a model for counties' strategies in this effort. A fully integrated partnership with CDHCS, DA, and DPSS fraud investigators has established a strong foundation for a vigorous fraud prevention and detection operation. We remain confident that over time, desired outcomes will be exceeded and maximum results realized.

WTF:BC:KH
DS:JAB:cvb

c: County Counsel
Executive Officer, Board of Supervisors
Public Social Services
District Attorney